

Madam chair and committee

My name is Rudy Stock spelled Rudy Stock

I am here to talk about House Bill 426 requiring the DOC to obtain bids for the phone service for inmates and to use the lowest bid and that can't be over 10 cents per minute

DOC did obtain bids for the phone service and the low bid was 3.6 cents per minute

The inmates were charged 3.6 cents per minute for several months then the rate was changed to 14.3 cents per minute.

While the rate was at 3.6 cents per minute many inmates used the phone but when the rate went to 14.3 cents per minute the use of the phones dropped a lot

DOC claimed that the added costs were for tablets for the inmates so that they could have video visitation.

The real reason that the phone rates went to 14.3 cents per minute was to cover the \$ 23,000 monthly commission that DOC collects from the phone contractor.

This \$ 23,000 per month charge amounts to a tax on inmates, their families and friends.

The legislature has not given DOC the authority to tax the inmates, their families or their friends

In my opinion this tax is illegal

DOC does not have authority to spend money collected without an appropriation from the legislature and signed into law by the governor.

DOC does not have authority to spend this \$23,000 monthly revenue

I have attached page 4 from DOC's contract with Century Link.

3.2 Warranty for Hardware. Contractor warrants that hardware provided is free from defects in materials and workmanship and conforms to the specifications. The warranty period for provided hardware is a fixed period commencing on the date specified in a statement of work or applicable Contract. If the hardware does not function as warranted during the warranty period and Contractor is unable to either: i) make it do so; or ii) replace it with one that is at least functionally equivalent, State may return it to Contractor for a full refund.

The parties agree that the warranties set forth above do not require uninterrupted or error-free operation of hardware or services unless otherwise stated in the specifications.

These warranties are State's exclusive warranties and replace all other warranties or conditions, express or implied, including, but not limited to, the implied warranties or conditions of merchantability and fitness for a particular purpose.

4. **COSTS AND COMMISSION**

4.1 Costs. The costs and expenses of providing the Services, including but not limited to installation charges, materials and labor costs, shall be the sole responsibility of the Contractor and shall not be charged to State except as otherwise expressly provided for.

4.2 Commission. Contractor shall pay to State, commissions in connection with the telephone usage at each Facility. Monthly Commission payments of twenty-three thousand dollars (\$23,000). Contractor shall be responsible for maintaining records sufficient to permit the proper determination of commissions due to State. Contractor shall send a statement to State setting forth the current commissions due to State.

4.3 Rates. MDOC understands that the rates shown below are exclusive of Federal, State, Local Taxes, Tariffs and Regulatory Fees. It is understood that these taxes/fees will be charged as a pass-through from the taxing/regulating agency to the called party and that no commission will be paid on these items.

Telephone Call Rate per minute \$0.143

Base phone rate - \$.036/min

Location Based Services - \$.001/min

Argus Voice Biometrics - \$.002/min

Portable Cell Phone Detection - \$.002/min

ShawnTech Cell Phone Detection - \$.028/min (provides for 2 cell assessments per year. If phone minutes are below 6.7 million for the prior year, one will be provided)

Keefe Tablet Solution free with purchase of Edovo tablet solution*

Edovo Tablet Solution (free to inmates to check out) - \$.074/min

*** Keefe Song and Device Costs**

- Per Song Download is \$2.00/song
- Tablet Costs, for purchase by inmates, not the responsibility of the Department – 8GB = \$109.99 and 40GB = \$129.95

30-minute video visitation \$4.50.

5. **CONTRACTOR REGISTRATION (for construction)**

The Contractor will be registered with the Department of Labor and Industry under sections 39-9-201 and 39-9-204, MCA, prior to contract execution. The State cannot execute a contract for construction to a Contractor who is not registered (39-9-401, MCA).

6. **PREVAILING WAGE REQUIREMENTS**

6.1 Montana Resident Preference. The nature of the work performed, or services provided, under this Contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded